Supreme Court, U.S.
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In The

Supreme Court of the United States

October Term, 1997

THE BONNEAU COMPANY,

Petitioner,

v.

MAGNIVISION, INC.,

Respondent.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

REPLY BRIEF

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Summary Of The Argument

The "file wrapper" documents the prosecution history of a patent application and is essential for determining the scope of the patent issued. In *Warner-Jenkinson Co., Inc. v. Hilton Davis Chemical Co.*, ___ U.S. ___, 117 S.Ct. 1040 (1997), this Court emphasized the importance of a fully documented file wrapper. Targeting undocumented conversations between examiner and applicants, the United States Patent and Trademark Office ("PTO") has further stressed the need for full documentation. Notice of Public Hearing and Request for Comments on Procedures for Recording Patent Prosecution File Histories, 62 Fed. Reg. 49,471 (1997). The Federal Circuit reversed and remanded this case due to Petitioner The Bonneau Company's ("Bonneau") critiques of undocumented conversations between the examiner and Respondent Magnivision, Inc. The decision of the Federal Circuit obstructs the stated goal of full documentation and stifles any inquiry on the scope of the patent, as well as the administrative deference owed to the examiner.

Prosecution History Is Relevant To The Scope And Validity Of A Patent

This appeal focuses on the relevance and admissibility of irregularities in the prosecution history of a patent application on the defenses of invalidity and non-infringement. The Federal Circuit has realized that prosecution history is an important element in claim interpretation for determining the scope and validity of a

patent. *Markman v. Westview Instruments*, 52 F.3d 967, 979 (Fed. Cir. 1996). Further, in *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996), the court found that prosecution history is a "most significant source" of evidence for claim interpretation and forms a part of the public record upon which the public is entitled to rely.

Likewise, evidence of irregularities in the prosecution history of a patent is admissible to rebut the presumption of administrative correctness grafted onto the statutory presumption of validity. *See Brooktree Corp. v. Advanced Micro Devices, Inc.*, 977 F.2d 1555 (Fed. Cir. 1992) (holding that implicit in the presumption of validity is the presumption that the patent examiner properly carried out his administrative function and employed his advanced technical knowledge). This further presumption of deference was trumpeted by Magnivision. Not only did Magnivision point to the granted patent, but it also touted the individual abilities and attributes of the examiner who approved the application. (A3678; A4737; A4741-43; A6187-94). Further, Magnivision even relied on this further presumption in the charge to the jury. (A1718; A1782-83). While Magnivision strenuously objects to Bonneau's ability to rebut this presumption, Magnivision continues to rely affirmatively on this very same presumption – even in this Court. (*See* Opposition at p. 27). Surely Bonneau would be permitted to rebut this further presumption by showing that Magnivision's application had been approved after phone conversations and that a statement of the contents of such conversations was absent from the file wrapper.

Noting the "crucial role" that prosecution history plays in determining the validity and scope of a patent,

the PTO has recently requested public comment on issues associated with procedures for recording patent prosecution history records in order to ensure accuracy and completeness. 62 Fed. Reg. 49,471. In its Notice, the PTO stressed the importance of the prosecution history detailed in the "file wrapper" of a patent application and the written record must clearly explain the rationale for decisions made during the examination of a patent application, including the basis for the grant. 62 Fed. Reg. at 49,471. In addition, the PTO pin-pointed the requirement that correspondence, of all types, between applicant and examiner be thoroughly documented in the file. Specifically, the PTO stated that:

> [T]he file history should contain a written record of all oral communications addressing patentability issues between the examiner and applicant. Examiners and applicants share the responsibility for the clarity, accuracy, and completeness of the file wrapper.

62 Fed. Reg. 49,471. Further emphasized in the solicitations for public comment is the need for complete and accurate disclosure of communications between applicants and examiners. While all issues submitted by the PTO for public comment dealt with ensuring complete and accurately recorded prosecution histories, no less than four submitted issues dealt specifically with recording guidelines for discussions between examiners and applicants. 62 Fed. Reg. at 49,473.

At issue in this case are trial comments by Bonneau on the absence of an accurate record of telephone discussions between the examiner and the attorney for Magnivision which failed to articulate the bases for allowance

of Magnivision's claims despite several prior rejections. The Federal Circuit found statements regarding such prosecution irregularity highly prejudicial and reversed and remanded the entire case, including the jury's verdict on non-infringement. To the contrary, in its Notice Document, the PTO again stressed the importance of thorough transcription of discussions between examiners and applicants:

> Another facet of patent application in which written records are extremely important is the recordation of interviews conducted between examiners and applicants. Examiner interviews concerning patent applications and other matters pending before the PTO serve to clarify the issues in an application and materially advance the prosecution of a case. . . . A complete and accurate recordation of the substance of an examiner interview should include the following: an identification of the claims and prior art discussed; a description of proposed amendments; the general thrust of the examiner's arguments; and the result of the interview. Although recordation of the arguments presented at the interview need not be lengthy or highly detailed, the general nature of the principal arguments should be readily apparent.

62 Fed. Reg. 49,472. The recorded statements supplied by Magnivision failed to address these basic issues even generally, much less with any specificity. (*See* App. 6 to Petition). Accordingly, Magnivision failed to satisfy Section 713.04 of the Manual of Patent Examining Procedure and its file wrapper was incomplete.

Magnivision Admits That Prosecution History Is Relevant On The Issue Of Infringement

While attacking Bonneau's use of evidence of prosecution irregularity to rebut the presumption of validity and the presumption of administrative correctness, Magnivision readily admits that such prosecution history is relevant to claim construction of a patent in performing an infringement analysis. (*See* Opposition at p. 22). In addition to the claims of invalidity, Bonneau also asserted the defense of non-infringement, a defense which the jury found in Bonneau's favor. Thus, even under Magnivision's own standards, evidence of prosecution history would have been relevant for Bonneau's non-infringement defense.

The Prosecution Irregularities Cited By Bonneau Are Materially Related To Scope And Validity

In response to Bonneau's evidence of prosecution irregularity, Magnivision plants the fear that patents may come under attack for the failure to comply with trivial and insignificant PTO administrative procedures which have nothing to do with validity. Listed as examples are the use of blue, as opposed to black, ink or the utilization of the wrong size of paper. (Opposition at p. 15). To the contrary, the failure to document in the file wrapper the specifics of the conversations between the examiner and Magnivision which directly precede the issuance of the patent is a material defect which is fundamentally related to the scope and validity of Magnivision's patent.

Magnivision's trivialization of the requirement of full documentation conflicts with the PTO's recent emphasis

on the necessity of ensuring a complete file wrapper, particularly with respect to documentation of communications between patentees and examiners. 62 Fed. Reg. at 49,472-49,473. Further, this absence of documentation bears directly upon the presumption of administrative correctness supporting the statutory presumption of validity. Where the administrative regulations of the PTO are causally related to the quality of the administrative performance, as in this case, evidence of prosecution irregularities must be admissible to rebut the presumption of administrative correctness relied upon by Magnivision.

Evidence Of Prosecution History Encourages A Complete And Accurate File Wrapper

Finally, admissibility of evidence of prosecution irregularity does not conflict with the prohibition of discovery from examiners set forth in *Western Electric Co., Inc. v. Peizo Technology, Inc.*, 860 F.2d 428, 432 (Fed. Cir. 1988), as Magnivision contends. Bonneau does not suggest that discovery may be obtained from the examiner. Rather, Bonneau argues that gaps in the prosecution history absent from the file wrapper are worthy of comment. The evidence of prosecution irregularity offered by Bonneau would encourage the practice of fully, accurately and completely documenting the file wrapper, a goal emphasized by the PTO in its recent regulatory publications as well as this Court in *Warner-Jenkinson Co., Inc. v. Hilton Davis Chemical Co.*, ___ U.S. ___, 117 S.Ct. 1040 (1997).

CONCLUSION

The admission of evidence of irregularities in the prosecution history of a patent serves the dual purpose of rebutting the asserted presumption of administrative correctness as well as ensuring accuracy and completeness in the file wrapper. A writ of certiorari should be granted, the judgment of the Court of Appeals should be reversed, and the judgment of the District Court should be reinstated.

Respectfully submitted,

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